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*Counsel to Advanced Beverage, Inc.*

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NEW JERSEY**

In re:

WILLIAM SHERWOOD,

Debtor.

Hon. Kathryn C. Ferguson, U.S.B.J.

Case No. 18-22099 (KCF)

Chapter 13

**RESPONSE TO DEBTOR'S PROPOSED CHAPTER 13 PLAN CONFIRMATION**

Advanced Beverage, Inc. ("Advanced Beverage"), by and through its undersigned counsel, hereby submits this Response ("Response") to the proposed confirmation of the Chapter 13 Plan of William Sherwood ("Debtor"), and respectfully submits as follows:

1. On June 15, 2018, ("Petition Date"), Debtor filed its voluntary petition under Chapter 13 of the Bankruptcy Code.
2. Advanced Beverage is a creditor of the Debtor.
3. On July 30, 2018, Advanced Beverage commenced a non-dischargeability action against Debtor captioned Advanced Beverage, Inc. v. Sherwood, Adv. Proc. No. 18-01387.
4. On May 31, 2019, Advanced Beverage and Debtor attended mediation with Judge Christine M. Gravelle, who assisted the parties in reaching a tentative settlement, read into the record. Specifically, in resolution of the non-dischargeability action and Advanced Beverage's claim and rights in the bankruptcy case, Debtor is required to pay Advanced Beverage a total of

\$42,000 over ten (10) years, including payments received by Advanced Beverage under the Debtor's Chapter 13 Plan for the first five (5) years, and the remaining balance in equal monthly installments over the next five (5) years, all as to be reflected in a Note to be signed by Debtor, supported by a Mortgage in Debtor's home to be signed by Debtor and Debtor's spouse.

5. The proposed settlement was also contingent upon settlement of Advanced Beverage's claims against Debtor's co-guarantor, Larry Schwartz, who was the subject of a separate proceeding in this Bankruptcy Court (Case No. 18-18075). A settlement between Larry Schwartz and Advanced Beverage was approved by the Court in that separate bankruptcy case on January 7, 2020.

6. Advanced Beverage and Debtor have recently agreed to a form of Note and Mortgage for execution in order to complete the settlement. In light of the settlement between Advanced Beverage and Debtor, Advanced Beverage (i) withholds from filing any objection to confirmation of Debtor's Plan, and (ii) will dismiss its non-dischargeability action upon receipt of the executed Note and Mortgage.

7. As Advanced Beverage awaits delivery of executed copies of the Note and Mortgage in fulfillment of the settlement, Advanced Beverage respectfully reserves all rights.

Dated: March 24, 2020  
Morristown, New Jersey

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